

IN THE  
INDIANA TAX COURT

NO. 49T10-9309- TA- 70

TOWN OF ST. JOHN, <i>et al.</i> ,	)	
	)	
Petitioners,	)	
	)	
v.	)	
	)	
DEPARTMENT OF LOCAL GOVERNMENT	)	
FINANCE, successor to the	)	
STATE BOARD OF TAX	)	
COMMISSIONERS,	)	
	)	
Respondents.	)	

**TWENTY -FIFTH MONTHLY REPORT**

This is the twenty-fifth monthly report of the Department of Local Government Finance (DLGF) (formerly the State Board of Tax Commissioners) under the Court's order dated May 31, 2000, 729 N.E.2d 242,247. The report explains the DLGF's activities during June 2002 to implement the Court's order. The DLGF's activities during June primarily involved contracting for accounting services in the reassessment of Lake County and distributing information to county and township assessors that will affect their assessment work. An outline of these activities is included as Exhibit A.

*Lake County Reassessment*

The DLGF has signed contracts with Cole Layer Trumble ("CLT") and Crowe Chizek for CPA services in the reassessment of Lake County. The DLGF reviewed and approved an invoice from CL T on May 30, 2002. Lake County officials approved payment of the invoice, and CL T was paid for their work to date, as required under the contract with the DLGF .

There has been no interruption in the reassessment work in Lake County. CLT has a total of 80 personnel on the project.

The DLGF has conferred with counsel for Arthur Andersen regarding its terminated contract. There is a risk that litigation will arise that could threaten the progress of reassessment.

#### *County Surveys/Computer Software*

Manatron has delivered the computer hardware at CLT's offices in Merrillville, and software is being installed. Manatron received data from the Lake County contractors who maintain the Lake County database. Transfer and conversion are ongoing.

#### *Statutory Issues*

During the legislature's special session in June, the DLGF was involved in providing input on proposed legislation that might affect the reassessment. On June 22, 2002, the General Assembly enacted REA 1001ss. The Governor is expected to sign the bill on July 1, 2002.

#### *Proposed Rules*

The reversion to the pre-2002 personal property rule provisions for construction in process and for the inventory floor will add significant complications and burdens to assessors, auditors, and other county officials and has the potential to affect the timeliness of completion of reassessment and the setting of budgets throughout the state.

The Equalization Standards rule, LSA Doc. # 00-283, has been finalized, and the rule has been submitted to the Attorney General for review. In addition, the DLGF finalized and forwarded to the Attorney General the Brown County shelter allowance rule, LSA Doc. # 00-283, and a rule extending the deadline for the adoption of reassessment methodologies in the counties (Manual Selection Date, LSA Doc. # 01-305). After the passage of HEA 1001ss, the DLGF recalled the Brown County shelter allowance rule from the Attorney General's office.

*Work with Assessors*

The Commissioner and DLGF staff met with representative assessors, the Indiana Manufacturing Association, and the state Chamber of Commerce on procedures to calculate personal property per HEA 1001ss on June 6, 2002. Additional meetings are contemplated.

On June 7 and 27, 2002, Mark Webb, Director of Communications and Public Affairs, met with the northwest regional county assessors. The Commissioner attended the southeast regional assessor's meeting in Scottsburg on June 5, 2002. They discussed pending and passed legislation and possible public information initiatives, including video, to educate the public about the ongoing reassessment. They also discussed ways to enhance interaction between assessors and the DLGF .

Members of the DLGF field staff continue to meet with local assessors to monitor reassessment activities.

*DLGF Staff Changes*

Lisa Acobert assumed her position as Commissioner of the DLGF on June 1, 2002. The DLGF hired a new assessment director. Kurt Barrow, former assessment director, is returning to the DLGF with an anticipated start date of July 8, 2002.

Respectfully submitted,

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